



*Pre-pay a Child's Tuition*

February 27, 2009

Dear PACT Participant:

On behalf of the Board of Directors of the PACT Trust Fund, I want to share with you some reliable information on the status of PACT.

As you know, the stock market has dropped approximately 50% in the past 14 months. This event has had a significant negative impact on the invested assets of the PACT trust fund. PACT is hurting like every other retirement fund and investment account. The good news is that the Board is working hard and considering options to maintain the viability of PACT.

For the past 18 years, PACT has timely provided over \$400 million in tuition and qualified fee payments to educate 13,400 students. During this course of time, PACT has enjoyed a very strong relationship with each of Alabama's public universities and colleges.

We are now meeting with the distinguished leaders of these institutions to form a partnership to allow PACT benefits to be consistently paid. This process will take several weeks, and we ask your patience while we fully explore this opportunity.

Visit [www.800alapact.com](http://www.800alapact.com) to monitor our progress and to receive updates on the PACT Program. The website is your fastest and most reliable source of information. We will post notices every Friday by 2 PM.

Please know that your PACT Board is deeply committed to serving the needs of all PACT beneficiaries and in protecting your interest in the PACT Program. Thank you for your understanding as we work to resolve this situation.

Sincerely,

Kay Ivey  
Chairman of the Board